

INSURANCE REGULATORY TRUST FUND

State Investment Board Balance Sheet As of 6/30/2005

	As of <u>6-30-05</u>	As of <u>6-30-04</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 595,792	\$ 685,754
INTERNATIONAL EQUITIES	301,360	268,410
DOMESTIC FIXED INCOME	1,014,594	793,257
INVESTED CASH (NOTE 1)	<u>1,058,689</u>	<u>935,929</u>
 TOTAL INVESTMENTS	 2,970,435	 2,683,350
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	9,024	8,103
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	421,996	368,087
DUE FROM OTHER AGENCIES (NOTE 3)	<u>49</u>	<u>41</u>
 TOTAL ASSETS	 <u>\$ 3,401,504</u>	 <u>\$ 3,059,581</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	1,417	1,375
SECURITIES LENDING COLLATERAL (NOTE 2)	421,996	368,087
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>0</u>
 TOTAL LIABILITIES	 423,413	 369,462
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,690,119	2,763,062
CASH IN DURING YEAR (NOTE 5)	2,025,000	1,700,000
CASH OUT DURING YEAR (NOTE 6)	1,865,000	1,900,000
NET INCREASE (DECREASE)	<u>127,972</u>	<u>127,057</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>2,978,091</u>	 <u>2,690,119</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 3,401,504</u>	 <u>\$ 3,059,581</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2005

	Month Ended <u>6-30-05</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 7,681	\$ 54,279
SECURITIES LENDING INCOME	1,062	5,590
	<u>8,743</u>	<u>59,869</u>
 GAIN ON SALE OF INVESTMENTS	 38,799	 148,127
LOSS ON SALE OF INVESTMENTS	<u>22,272</u>	<u>105,465</u>
 NET GAINS (LOSSES) INVESTMENTS	 16,527	 42,662
 INVESTMENT EXPENSES	 251	 3,707
SECURITIES LENDING EXPENSES	976	4,980
SIB ADMIN EXPENSES	<u>224</u>	<u>992</u>
 NET INVESTMENT INCOME	 23,819	 92,852
 NET APPREC (DEPREC) MARKET VALUE	 33,115	 35,032
MISCELLANEOUS INCOME/(EXPENSE)	<u>7</u>	<u>88</u>
 TOTAL INVESTMENT INCOME	 <u>56,941</u>	 <u>127,972</u>
 NET INCREASE (DECREASE)	 <u>\$ 56,941</u>	 <u>\$ 127,972</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board SUPPLEMENTARY INFORMATION As of 6/30/2005

	As of <u>6/30/05</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	\$452,484
SMALL CAP EQUITY	152,327
CONVERTIBLE BONDS	<u>0</u>
TOTAL DOMESTIC EQUITIES	604,811
INTERNATIONAL EQUITY	345,026
FIXED INCOME	950,594
INVESTED CASH (NOTE 1)	<u>1,058,689</u>
TOTAL INVESTMENTS AT COST	<u><u>\$2,959,121</u></u>

INSURANCE REGULATORY TRUST FUND
Notes To Financial Statements
June 30, 2005

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.